

June 24, 1980

Mr. Joseph V. Di Muro
Universal City Studios, Inc.
100 Universal City Plaza
Universal City, CA 91608

Re: Universal City Studios, Inc.
v. RKO General, Inc., et al.

Dear Joe:

Enclosed is a letter dated June 20, 1980 which I received from Lou Petrich concerning the status of merchandising rights previously granted by RKO to Paramount and DeLaurentis concerning King Kong. In view of the contents of Petrich's letter, I think it is safe to say that Universal owns all merchandising rights in King Kong, and that those merchandising rights are not subject to any outstanding licenses to Paramount and/or DeLaurentis.

I suggest that you send a letter to RKO confirming that RKO should enter into no further merchandising licenses, and asking RKO for information concerning all outstanding merchandising licenses in effect, either as a result of direct contracts between RKO and third parties, or as a result of sublicenses entered into by Paramount and/or DeLaurentis with third parties prior to the expiration of the merchandising rights granted to Paramount and/or DeLaurentis by RKO.

Best regards.

Very truly yours,

STEPHEN A. KROFT

SAK/v
Enclosure

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